



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Representatives Present During the Inspection:

Company David Shaver Manager

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070033
Inspection Type:	PARTIAL
Inspection Date:	Thursday, June 10, 2010
Start Date/Time:	6/10/2010 7:25:00 AM
End Date/Time:	6/10/2010 8:55:00 AM
Last Inspection:	Wednesday, May 05, 2010

Inspector: Pete Hess, Environmental Scientist III

Weather: Mostly cloudy, cool; 60's F.

InspectionID Report Number: 2388

Accepted by: jhelfric

6/21/2010

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**

Operator: **ANDALEX RESOURCES INC TOWER DIVISION**

Site: **WILDCAT LOADOUT**

Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

100.00	Total Permitted
78.45	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☒ Loadout
☒ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee continues the process of shutting down the Wildcat Loadout facility; the last train is expected to be shipped on Friday, June 11, 2010.

UtahAmerican Energy, Inc., is in the process of transferring the ownership of the property to InterMountain Power Agency / Los Angeles Department of Water and Power. The Permittee (UEI) needs to address the remaining deficiencies for Division Order DO-04 and obtain Division approval prior to the transfer of C/007/033 to IPA.

Inspector's Signature:

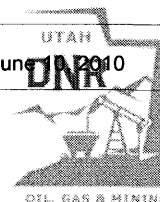
Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Thursday, June 10, 2010

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.
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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Topsoil

The topsoil pile adjacent to sediment pond "A" needs to have a protective cover. The vegetation which previously existed is gone. The Division suggests that an alternative be investigated.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Ponds A-E were observed as dry. The inlet on the SE corner of Pond "C" needs repairs made to the ditch, and the half-round culvert. Erosion of the ditch and piping beneath the half-round have recently occurred.

4.d Hydrologic Balance: Water Monitoring

The Permittee notified the Division on May 24th that the first quarter of 2010 water monitoring data for the Wildcat Loadout permit area had been inserted into the data base "pipeline", and same was ready for uploading to the permanent data base. The Permittee continues to meet this Special Condition of the State issued R645 permit.

7. Coal Mine Waste, Refuse Piles, Impoundments

A few waste piles need to be spread and compacted on the southern end of the pile. A minor berm breach should be repaired on the SE corner. Mr. Shaver agreed to address this issue. All outslopes appear stable. No water is impounded on the active lift. There are no indications that spontaneous combustion is occurring. Noncoal waste was not visible within the placed material.

15. Cessation of Operations

See comments under Inspection Report Summary.

21. Bonding and Insurance

The Permittee provided a general liability insurance Acord renewal form to the Division on June 4, 2010. The coverage term is for one year.